



## **CABINET – 25TH APRIL 2018**

**SUBJECT: IMPLEMENTATION OF THE SUSTAINABLE DRAINAGE SYSTEMS APPROVAL BODY (SAB)**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER**

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- 1.1 The attached report, which was presented to the Regeneration and Environment Scrutiny Committee on 27th March 2018, updated Members regarding the new statutory function for the Council to establish a Sustainable Drainage (SuDs) Approval Body (SAB) under schedule 3 of the Flood and Water Management Act 2010. The report also sought Cabinet approval to establish a structure to deliver the SAB.
  - 1.2 Members were advised that Schedule 3 of the Flood and Water Management Act (FWMA) 2010 requires surface water drainage for new developments to comply with mandatory National Standards for Sustainable Drainage systems (SuDs). It also requires surface water drainage systems to be approved by a SuDs Approving Body (SAB) before construction work with drainage implications may begin. The responsibility for delivery of the SAB functions rests with the 22 local authorities in Wales alongside their duties as Lead Local Flood Authority (LLFA), and this function will commence in May 2018 with a proposed transition period of 6 months.
  - 1.3 It was explained that the SAB, as an independent body within the local authority, will deal with a technical statutory approval process and be able to charge for services within this process. Examples of chargeable aspects were detailed within the report. A business case is currently being prepared in view of the additional staff resources and posts required to meet the statutory function, and it is anticipated that income generation from the SAB is predicted to cover all salary costs and overheads associated with supplying this function. In addition there is a potential for further income generation through regional working and collaboration with neighbouring authorities that have fewer resources and technical knowledge to deliver this statutory function
  - 1.4 A Member queried the reporting mechanisms for the SAB and it was confirmed that this would be monitored by the Head of Engineering Services and their team. Discussion took place regarding estimated income generation from the SAB and it was explained that the Council will have options in place (such as fixed term contracts and / or phasing of appointments) to ensure that the additional staffing resources required can be funded from the income received. Members were assured that the income generated would meet all costs associated with this statutory function and were provided with examples of the charging elements and how fees are calculated. It was also explained that the new SAB will provide consistency across all new developments by inspecting surface water drainage systems to ensure that they meet the appropriate standard. In response to a Member's query, it was confirmed that Dwr Cymru Welsh Water had been consulted in regards to the land drainage elements of the new SAB.

- 1.5 Following consideration of the report, the Regeneration and Environment Scrutiny Committee unanimously recommended to Cabinet that for the reasons contained therein, the required Sustainable Drainage Systems Approval Body (SAB) with CCBC be established, together with the additional self-funded posts which will allow CCBC to undertake this statutory function and keep the local engineering knowledge and expertise within CCBC.
- 1.6 Members are asked to consider the recommendation.

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Appendices:

Appendix 1 Report to Regeneration and Environment Scrutiny Committee on 27th March 2018 – Agenda Item 9



## REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 27TH MARCH 2018

**SUBJECT: IMPLEMENTATION OF THE SUSTAINABLE DRAINAGE SYSTEMS  
APPROVAL BODY (SAB)**

**REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES**

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### 1. PURPOSE OF REPORT

- 1.1 To update members regarding the new statutory function Caerphilly County Borough Council has to establish in regard to a Sustainable Drainage (SuDs) Approval Body (SAB) under schedule 3 of the Flood and Water Management Act 2010 and to seek Cabinet approval to establish a structure to deliver the SAB.

### 2. SUMMARY

- 2.1 Schedule 3 of the Flood and Water Management Act (FWMA) 2010 requires surface water drainage for new developments to comply with mandatory National Standards for Sustainable Drainage systems (SuDs). It also requires surface water drainage systems to be approved by a SuDs Approving Body (SAB) before construction work with drainage implications may begin.
- 2.2 The responsibility for delivery of the SAB functions rests with the 22 local authorities in Wales alongside their duties as Lead Local Flood Authority (LLFA) and this function will commence in May 2018 with a proposed transition period of 6 months.

### 3. LINKS TO STRATEGY

- 3.1 The SAB will contribute to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
- A prosperous Wales
  - A resilient Wales
  - A healthier Wales
  - A more equal Wales
  - A Wales of cohesive communities, and
  - A globally responsible Wales
- 3.2 The SAB links to the authority's draft Well Being Objective 4: Promote modern, integrated and sustainable transport system that increase opportunity, promotes prosperity and minimises the adverse impacts on the environment.
- 3.3 There are further links to the Engineering Services Division Objectives:
- 3.3.1 To provide safe and efficient transport and land drainage infrastructure through quality service delivered by means of cost effective management, maintenance and improvement of the networks.

- 3.3.2 To develop engineering solutions and methods which have regard to the value of the natural and built environment and to the principle of sustainable development.
- 3.4 The report supports the Prosperous, Safer and Greener themes of the 'Caerphilly Delivers' in the single integrated plan.
- 3.5 Effective regulation and Management of flooding/flood risk promotes sustainable development, which does not exacerbate flooding. This links to the Caerphilly County Borough Council (CCBC) Flood Risk Management Strategy and Plan.

#### **4. THE REPORT**

- 4.1 Surface water flooding is a serious problem, identified in the National Strategy for Flood and Coastal Erosion Risk Management as a major cause of flooding of homes. The impact on citizens, communities and cost to the Welsh economy is significant. The risk of flooding is on the rise owing to climate change and urbanisation. Local flooding, due to the overloading of volume constrained drainage systems and sewers, is also of increasing concern.
- 4.2 Under the terms of the Flood and Water Management Act 2010, the Lead Local Flood Authorities are responsible for local flood risk which includes that from surface water, ground water and ordinary watercourses.
- 4.3 Surface water runoff can be an important source of diffuse pollution. The potential damage to our groundwater and rivers from polluted surface water runoff increases with each new development.
- 4.4 There are currently lost opportunity costs where the drainage design fails to deliver multiple benefits (for example amenity and biodiversity) beyond simple surface water management.
- 4.5 Schedule 3 of the Flood and Water Management Act 2010 requires surface water drainage for new developments to comply with mandatory National Standards for Sustainable Drainage Systems (SuDs). It also requires surface water drainage systems to be approved by a SuDs Approving Body (SAB) before construction work with drainage implications may begin. Provided National Standards are met, the SAB would be required to adopt and maintain the approved SuDs that service more than one property. This can remove uncertainty over the design and adoption of surface water drainage for new developments which previously hampered developments.
- 4.6 The responsibility for delivery of the SAB functions rests with the 22 local authorities in Wales alongside their duties as Lead Local Flood Authority and this function will be commencing in May 2018 with a proposed transition period of 6 months.
- 4.7 In order to deliver the aims of the Act, there are requirements to:
- make unitary authorities in Wales the responsible SuDs Approving Body (the SAB) to approve new drainage systems before construction can commence.
  - requires the SAB, where appropriate, to adopt drainage systems serving multiple properties, making it responsible for ensuring a surface water drainage system adopted by the SAB is maintained in accordance with the mandatory National Standards.
  - enables secondary legislation to be made relating to various matters concerning approval and adoption.
  - establishes the role of statutory consultees in the approval process.
- 4.8 The SAB is an independent body within the local authority, dealing with a technical statutory approval process.

- 4.9 There will be a need for the Local Authority to secure bonds, fees and service charges for the sustainable and ongoing maintenance of SuDs schemes.
- 4.10 Additionally SuDs schemes will need to be inspected by the SAB during construction, to ensure they are built to the appropriate standard with the specified or suitable materials, and once in operation, to ensure they are properly maintained and not damaged. The authority may charge an inspection fee based on cost recovery.
- 4.11 SuDs systems which meet the specified adoption criteria can be offered for adoption to the SAB. Adoption by the SAB will be via a bespoke legal agreement. The SAB will require payment of a commuted sum or maintenance charge which is reflective of the maintenance/replacement plan for the lifetime of the development.
- 4.12 The SAB, as an independent body within the local authority, will deal with a technical statutory approval process and be able to charge for services within this process. Examples of chargeable aspects are: -
- SAB pre-applications – This is a key function of the SAB to engage with developers for technical pre-application discussions. This will steer developments to comply with the National Standards. When schedule 3 of the FMWA is implemented the SAB will be able to charge for pre-application comments. It should be noted that SAB pre-application is limited to a high level overview. Detailed comments will be provided at the Outline/Full application stage. The charges for pre-application are (subject to approval by Council) and will start from £250 (minimum) depending on the size of the development plus there would be similar charges for commercial properties which would be based on squared metres. Additionally there would be additional fees for services e.g. site meetings and this would be based on 20% of the minimum application charge of £350 and will vary depending on the size of the proposed development.
  - Outline/Full applications – Under the current proposal by WG one property or above (or development above 100sq.m or with drainage implications) would require SAB approval. This process is chargeable at rates set by WG. Application costs start from £350 (minimum) with an additional amount up to £7,500 (maximum) calculated by reference to the size of the construction area.
  - Inspection of assets – SuDs schemes will need to be inspected by the SAB during construction, to ensure they are built to an appropriate standard. The SAB may charge an inspection fee based on cost recovery, based on hourly rate and number of hours.
  - Adoption arrangement – SuDs which meet the specified adoption criteria can be offered for adoption to the SAB. Adoption by the SAB will be via a bespoke legal agreement and commuted sums or maintenance charges which reflect the maintenance /replacement plan that will be required for the lifetime of the development.
- 4.13 There are further opportunities to regionalise and collaborate these services with other local authorities that have fewer resources and technical knowledge to deliver this statutory function. CCBC officers have already commenced provisional discussions with a number of neighbouring local authorities to establish whether CCBC could deliver this service for adjoining authorities. These discussions are at relatively early stages and appropriate legal advice is being sought to ensure that any such opportunities are feasible.

## **5. WELL-BEING OF FUTURE GENERATIONS**

- 5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above (3.1). The effective regulation of flooding/and managing flood risk links to the following Well-being Goals, within the Well-being of Future Generations Act (Wales) 2015:

### **A resilient Wales**

The new statutory function will lead to a better sustainable integrated approach for dealing with rainwater that uses the landscape to protect developments from flooding and prevent pollution, delivering a controlled flow of clean water that can be used for amenity and wildlife benefits. The implications of flooding can be significant on local businesses so flood prevention enables our businesses and communities to be more resilient. The involvement of residents, businesses and communities is vital to the success of sustainable development in the long term.

### **A prosperous Wales**

The new statutory function will lead to sustainable drainage systems that contribute to the quality and functionality of host landscapes providing usable and attractive places for local community users to enjoy. The implications of flooding can be significant on local businesses so flood prevention enables our businesses and communities to be more prosperous. Collaborative networks have been set up with NRW, Welsh Water, other local authorities and local communities, integrating with council's internal departments (Countryside and Landscape, Planning, Environmental Health and Urban Renewal) which prevents duplication of task undertaken.

### **A healthier Wales**

A clean, green environment where water is seen as a resource, with access to open space, clean air and water are key elements of health and well-being. For instance by working closely with Caerphilly's Planning and Countryside departments and local developers promoting nature based solutions this will also be a key element of health and well-being. This integrated working of services will be critical to successful outcomes being achieved with the SAB implementation.

### **A more equal Wales**

Some of our poorest environmental quality is associated with our most deprived areas. Ensuring that everyone across the county borough has equal access to a clean, green and an attractive environment is a core element of our work, and is a supported SAB function.

### **A Wales of cohesive communities**

By managing flood risk and engaging with the community through creative solutions this will provide SuDs features that offer multi-functionality and successfully integrating sustainable management of water into the surrounding local landscapes. This demonstrates that we promote communities to be caring and environmentally conscious. This in turn helps to create a tidier, more attractive place for residents, visitors and potential inward investors.

### **A globally responsible Wales**

One of Caerphilly's corporate objectives is to reduce carbon emissions and reduce our contribution to global warming. Multiple biodiversity and a reduction in carbon emissions will be achieved by promoting sustainable development over the long term.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified, therefore a full EIA has not been carried out.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The current organisational structure does not allow for this statutory function to be undertaken with existing resources.

7.2 The structure required is currently being considered. Initial indications are that there will be a requirement for the following: Principal Engineer, Senior Engineer, Assistant Engineer, Drainage Technician and Trainee Technician. Total cost (including overheads) £199,369.

7.3 The income generation from the SAB is predicted to cover all salary costs and overheads associated with supplying this Statutory Function. In addition there is a potential for further income generation through regional working and collaboration with neighbouring authorities if this was feasible to progress.

Income generation is anticipated at £202,500 consisting of:

350 x £350 = £122,500 (minimum charges) Full Applications

250 x £250 = £62,500 (minimum charge) Pre-SAB Applications

250 x £70 = £17,500 (minimum charge) – Additional fee service charge

These income estimates have been based on the last 2 years' planning applications received by the authority, which had drainage implications.

## **8. PERSONNEL IMPLICATIONS**

8.1 The current organisation does not allow for this statutory function to be undertaken and specialist dedicated expertise would be required to deliver this Service as identified within paragraph 7.2 above.

## **9. CONSULTATIONS**

9.1 All consultees' comments have been incorporated within the report.

## **10. RECOMMENDATIONS**

10.1 Members are requested to consider the requirement to establish the SAB within CCBC along with the additional self-funded posts which will allow CCBC to undertake this statutory function and keep the local engineering knowledge and expertise within CCBC prior to the proposal being presented to Cabinet for approval.

## **11. REASONS FOR THE RECOMMENDATIONS**

11.1 To allow CCBC to meet its statutory requirement under Schedule 3 of the Flood and Water Management Act 2010 to deliver the SAB and achieve multiple benefits including improvements to amenities and biodiversity.

## **12. STATUTORY POWER**

12.1 Flood and Water Management Act 2010.

Author: Michelle Johnson - Senior Engineer

Consultees: Councillor Sean Morgan, Deputy Leader and Cabinet Member for Economy, Infrastructure, Sustainability and Wellbeing and Future Generations Champion  
Councillor D T Davies, Chair Regeneration and Environment Scrutiny Committee  
Councillor C Forehead, Vice Chair Regeneration and Environment Scrutiny Committee  
Christina Harray, Interim Chief Executive  
David Street, Corporate Director – Social Services

Mark S Williams, Interim Corporate Director of Communities  
Stephen Harris – Interim Head of Corporate Finance  
Marcus Lloyd, Acting Head of Engineering Services  
Richard Harris, Internal Audit Manager  
Richard Crane, Senior Solicitor  
Mike Eedy, Finance Manager  
Anwen Cullinane, Senior Policy Officer (Equalities & Welsh Language)  
Lynne Donovan, Acting Head of Human Resources and Organisational Development  
Shaun Watkins, Principal Personnel Officer  
Clive Campbell, Transportation Engineering Manager  
Kevin Kinsey, Acting Engineering Project Group  
Chris Adams, Acting Highway Operations Group Manager  
Gareth Richards, Highways Maintenance Manager  
Rhodri Powell, Senior Assistant Engineer